

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: _____

Meeting Type: Regular

Meeting Date: Oct 9, 2014

Action Requested By: Legal

Agenda Type: Resolution

Subject Matter:

Invoking Letter of Credit.

Exact Wording for the Agenda:

Resolution authorizing the Clerk-Treasurer to invoke Bryant Bank Letter of Credit No. 1161 for Cross Creek Phase IV Subdivision.

Note: If amendment, Please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost: _____

Budgeted Item: Not Applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: Mary C. Cates

Date: 10/7/14

RESOLUTION NO. 14-_____

WHEREAS, Bryant Bank issued a certain letter of credit (No. 1161), a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

WHEREAS, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the City of Huntsville Clerk-Treasurer be and is hereby authorized to present for payment to Bryant Bank Letter of Credit No. 1161, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 9th day of October, 2014.

President of the City Council
of the City of Huntsville,
Alabama

APPROVED this the 9th day of October, 2014.

Mayor of the City of
Huntsville, Alabama

BRYANT BANK

IRREVOCABLE LETTER OF CREDIT NO. 1161

Beneficiary:

City of Huntsville
P.O. Box 308
Huntsville, AL. 35804

Account Party:

Jeff Benton Development, Inc.
809 Shoney Drive, Ste 200
Huntsville, AL 35801

Bank:

Bryant Bank
415-H Church St., Suite 100
Huntsville, AL. 35801

Subject: Article 5 Sidewalk, Letter of Credit for Cross Creek - Phase IV, A Resubdivision of Document No. 20130430000280810 and also being A Resubdivision of an unnamed Parcel as shown on the plat of Cross Creek Phase I as recorded in the Judge of Probate Office in Document # 20080206000077620, Madison County, Alabama.

Amount: \$58,880.00
Issue Date: 10/22/2013
Expiration Date: 10/22/2014

MS
10/9/13

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective 10/22/2013, for a sum not to exceed the aggregate of \$58,880.00. Available by your one or more drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to Bryant Bank, 415-H Church Street, Suite 100, Huntsville, Alabama. 35801.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.


The original of this Letter of Credit must be presented with any drawing.

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will be duly honored upon presentation and delivery of the documents as specified.

This Letter of Credit shall be governed by the laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

BRYANT BANK

By:


Mike Johnston, Executive Vice President

OK
10/10/13

OK
10/21/13

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